

HICKORY, N.C., Sept. 1 2005 /PRNewswire-FirstCall/ -- CommScope, Inc.

(NYSE: CTV), a world leader in cable and connectivity solutions, today announced that it intends to implement manufacturing initiatives over the next 18 months to reduce costs and enhance the Company's long-term competitive position. The Company plans to redistribute production among its global facilities and improve the efficiency of certain manufacturing processes. As a part of these initiatives, the Company plans to close its Scottsboro, Alabama plant in late 2006. CommScope expects annualized pretax savings of approximately \$35-\$40 million once the initiatives are completed in early 2007. Approximately \$15-\$20 million of these pretax savings are expected during 2006, primarily in the second half of the year. CommScope also announced that it is considering strategic options for its telephone central office business.

"These global initiatives are the latest step in our ongoing drive to improve our competitive position and enhance our long-term financial performance," said CommScope Chairman and Chief Executive Officer Frank M. Drendel. "We believe these initiatives will help us better utilize our facilities and significantly reduce costs. However, we deeply regret the need to close our Scottsboro plant and appreciate the contributions made by the employees at that facility during the past 10 years.

"As we execute this manufacturing strategy we intend to make sure that our customers continue to receive the outstanding service that they have come to expect from CommScope," Drendel added.

The Company expects to incur total pretax restructuring costs of \$38-\$45 million to implement the strategy. Of this amount, cash costs are estimated to be \$16-\$20 million. The principal estimated costs related to these initiatives are:

- Impairment charges for equipment of \$22-\$25 million. CommScope does not expect significant impairment charges related to the potential sale of real estate.
- Employee-related expenses of \$10-\$12 million
- Equipment relocation expenses of \$6-\$8 million

The Company expects that most of the equipment impairment charges will be recognized in the third quarter of 2005 and that most of the other restructuring expenses will be recognized between October 2005 and June 2006. The Company does not expect a significant overall increase in capital spending, but does anticipate additional capital spending of approximately \$10-\$12 million during the next 18 months to support the implementation of these initiatives.

The actual costs and benefits, as well as the timing of implementation of these initiatives, will be dependent on issues encountered during implementation, future business conditions, sales volumes and seasonality, among other factors.

Scottsboro, Alabama Facility

Broadband cable production in Scottsboro, AL will be consolidated into CommScope's one million-sq. ft. Catawba, NC, facility and into international facilities. The 150,000 sq. ft. Scottsboro facility, which employs approximately 185 people, will close in late 2006.

"The decision to close the broadband facility in Scottsboro is a difficult one for CommScope and we understand how it affects employees and the community of Scottsboro, Alabama." Drendel stated, "It will bring to an end more than a decade of solid operations performance. This action is unfortunate, but necessary to improve overall factory efficiency and reduce cost."

CSMI Omaha Initiatives

Other manufacturing initiatives will involve CommScope's wholly owned subsidiary, Connectivity Solutions Manufacturing, Inc. (CSMI), located in Omaha, NE. Acquired in January 2004 when CommScope purchased the Connectivity Solutions business of Avaya Inc., the two million-sq. ft. Omaha facility currently manufactures SYSTIMAX(R) Solutions structured cabling and components for enterprise applications; ExchangeMAX(R) cable and apparatus primarily for telephone central office applications; and Integrated Cabinet Solutions (ICS), which are secure environmental enclosures for telecommunications carriers.

In the future, SYSTIMAX enterprise cable production will be sourced from lower-cost CommScope facilities, including the Claremont, NC plant and international facilities. The remaining production of SYSTIMAX, ExchangeMAX and ICS will be consolidated into one existing building at the Omaha facility. "There are approximately 185 jobs related to the production of enterprise cable at CSMI Omaha," said Richard Dall'Asen, President of CSMI. "Although certain employees will be able to utilize their seniority rights to transfer to other areas within CSMI, the total number of available jobs will depend upon expected demand for ICS and apparatus products, overall business conditions, as well as our ability to reduce costs.

"We have already made significant progress over the last 12 months during an initial restructuring, especially in support of the ICS business," noted Dall'Asen. "We have substantially completed the original October 2004 initiatives and intend to build upon these changes to continue improving our cost structure. These additional actions are necessary for us to become more globally competitive."

Additional real estate at the Omaha site will become unoccupied as a result of the consolidation and is available for sale or lease. As announced in June 2005 as part of the previous initiatives, CSMI entered into an agreement to sell a vacant 410,000-sq. ft. warehouse and approximately 42 acres at the CSMI manufacturing facility in Omaha. The sales price for the building and land is \$10,500,000. Closing is expected in 2006 and is subject to customary closing conditions.

Telephone Central Office Business

The Company has engaged CIBC World Markets Corp. to advise on strategic options for its telephone central office business. Telephone central office products represent most of the sales of the ExchangeMAX business, which was acquired as part of the purchase of ACS in January 2004. Total ExchangeMAX sales, which are part of the Company's Carrier segment, were approximately \$47 million for calendar year 2004.